MONTANA LEGISLATIVE HISTORY

Chapter 327 19 1997

Bill H _____ S 191 Original bill & history ✓ C

H. Committee on Taxation		S. Committee on Local Gov't.	
Hearing Date(s) _____	___C	Hearing Date(s) _____	___C
3/05	✓ C	1/30	✓ C
_____	___C	_____	___C
_____	___C	_____	___C
Date Out 3/5	✓ C	Out 1/30	✓

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

1/17	REFERRED TO PUBLIC HEALTH, WELFARE & SAFETY		
1/29	HEARING		
2/07	COMMITTEE REPORT—BILL PASSED		
2/10	2ND READING PASSED	48	1
2/11	3RD READING PASSED	45	5
	TRANSMITTED TO HOUSE		
2/12	FIRST READING		
2/12	REFERRED TO BUSINESS & LABOR		
3/21	HEARING		
3/25	TABLED IN COMMITTEE		
	DIED IN COMMITTEE		

SB 191 INTRODUCED BY HARGROVE, ET AL. *LC0585 DRAFTER: BOHYER*

AUTHORIZE THE CREATION OF A RESORT AREA DISTRICT

1/17	INTRODUCED		
1/17	FIRST READING		
1/17	REFERRED TO TAXATION		
1/17	FISCAL NOTE REQUESTED		
1/21	FISCAL NOTE RECEIVED		
1/22	SPONSOR FISCAL NOTE RECEIVED		
1/22	REREFERRED TO LOCAL GOVERNMENT		
1/22	FISCAL NOTE PRINTED		
1/30	HEARING		
1/31	COMMITTEE REPORT—BILL PASSED		
2/07	2ND READING PASSED	49	0
2/08	3RD READING PASSED	43	4
	TRANSMITTED TO HOUSE		
2/10	FIRST READING		
2/10	REFERRED TO TAXATION		
3/05	HEARING		
3/06	COMMITTEE REPORT—BILL CONCURRED		
4/08	2ND READING CONCURRED	75	25
4/09	3RD READING CONCURRED	68	31
	RETURNED TO SENATE		
4/14	SIGNED BY PRESIDENT		
4/15	SIGNED BY SPEAKER		
4/15	TRANSMITTED TO GOVERNOR		
4/21	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 327		
	EFFECTIVE DATE: 04/21/97		

SB 192 INTRODUCED BY KEATING *LC0620 DRAFTER: MALY*

ALLOW, FOR A PERIOD OF 12 MONTHS FOR THE PURPOSE OF SELLING THE DENTAL PRACTICE, THE PERSONAL REPRESENTATIVE OF THE ESTATE OF A DECEASED DENTIST OR THE PERSONAL REPRESENTATIVE OF A DISABLED DENTIST TO CONTRACT WITH A DENTIST TO MANAGE AN ESTABLISHMENT WHERE DENTAL SERVICES ARE PROVIDED

1/17	INTRODUCED		
1/17	FIRST READING		
1/17	REFERRED TO BUSINESS & INDUSTRY		
1/24	HEARING		
1/30	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/05	2ND READING PASSED	50	0
2/06	3RD READING PASSED	49	0
	TRANSMITTED TO HOUSE		
2/07	FIRST READING		

SB BILL NO. 191

INTRODUCED BY Haynore Olson Stang Josh Eves Hilland Lindgren Eck Thul

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE CREATION OF A RESORT AREA DISTRICT; PROVIDING AN ELECTION PROCESS BY WHICH A RESORT AREA DISTRICT MAY BE CREATED; PROVIDING FOR THE ELECTION OF MEMBERS TO THE BOARD OF DIRECTORS OF A RESORT AREA DISTRICT; ENABLING THE ADMINISTRATION OF A RESORT AREA DISTRICT; ALLOWING THE BOARD OF DIRECTORS OF A RESORT AREA DISTRICT TO EXPEND REVENUE FROM A RESORT AREA TAX; AMENDING SECTIONS 7-6-4465 AND 7-6-4469, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Definitions.** For the purposes of [sections 1 through 20], unless the context requires otherwise, the following definitions apply:

(1) "Board" means the board of directors of the resort area district.

(2) "Resort area" means a resort area created under 7-6-4468.

(3) "Resort area district" means a district created under [sections 1 through 20] that has been established as a resort area under 7-6-4468.

NEW SECTION. **Section 2. Resort area district authorized.** Electors residing within the boundaries of a resort area may create a resort area district by proceeding under the provisions of [sections 1 through 20].

NEW SECTION. **Section 3. Petition to create resort area district.** (1) Electors residing within a resort area may present, at a regular meeting, a petition requesting the establishment of a resort area district to the board of county commissioners of the county in which the proposed resort area district is located. The petition must be signed by at least 10% of the registered voters within the resort area.

(2) When the area to be included within the proposed resort area district lies in more than one county, the electors within a resort area shall present a petition to the board of county commissioners in

SB 191
INTRODUCED BILL

each county. Each petition must contain the signatures of at least 10% of the registered voters of the resort area that lies within that county.

(3) The petition must include a description or map of the existing resort area boundaries. The petition may not describe proposed resort area district boundaries that are different from the existing resort area boundaries designated pursuant to 7-6-4468.

NEW SECTION. **Section 4. Notice of petition -- hearing required.** (1) The board of county commissioners shall publish the text of the petition described in [section 3], as provided in 7-1-2121, in each county in which the proposed resort area district lies and shall publish the date, time, and place that a public hearing on the petition will be held.

(2) In addition to the requirements of subsection (1), the board of county commissioners shall publish the text of the petition described in [section 3] in a newspaper of general circulation in the county within which the proposed resort area district lies.

(3) A person wishing to comment on the creation of the proposed resort area district may file, by first-class mail or otherwise, comments with the clerk and recorder of the county in which the proposed resort area district lies.

(4) If the resort area lies within two or more counties, the provisions of this section apply to each county.

NEW SECTION. **Section 5. Hearing on petition.** (1) At the hearing for which notification has occurred under [section 3], the board of county commissioners shall accept comments supporting and opposing the petition. The board of county commissioners may adjourn the hearing from time to time, but the hearing must be completed within 4 weeks of its commencement.

(2) Upon concluding the hearing on the petition, the board of county commissioners shall determine whether the petition complies with the requirements of [sections 1 through 20] and enter its determination into the minutes of a regularly scheduled meeting.

NEW SECTION. **Section 6. Election required -- notice.** (1) Upon a determination that the petition complies with the provisions of [sections 1 through 20], the board of county commissioners of each county in which the resort area lies shall give notice of an election to be held in the proposed resort area district

for the purpose of determining whether a resort area district should be created. The election must be held in conjunction with a regular or primary election.

(2) Notice of the election must be made as provided in 13-1-108 and must:

(a) describe the purpose of the proposed resort area district; and

(b) state the name of the proposed resort area district, which must include the words "resort area district".

NEW SECTION. **Section 7. Conduct of election on question of creating resort area district.** The election on the question of creating a resort area district must be conducted as provided by Title 13 with respect to general and school elections, except as otherwise provided by [sections 1 through 20].

NEW SECTION. **Section 8. Qualifications to vote on question of creating resort area district.** A person is not entitled to vote at an election authorized by [sections 1 through 20] unless the person possesses all of the qualifications required of electors under the general election laws of the state and is a resident of the proposed resort area district.

NEW SECTION. **Section 9. Resolution creating resort area district upon favorable vote.** (1) If a majority of the votes cast on the question of creating the resort area district are in favor of creating the resort area district, the board of county commissioners shall enter into its minutes an order, by resolution, creating the resort area district.

(2) Immediately following adoption of the resolution creating the resort area district, the board of county commissioners shall file with the secretary of state and the county clerk and recorder a copy of the resolution.

NEW SECTION. **Section 10. Certificate of incorporation from secretary of state.** Within 10 days of receiving a copy of the resolution described in [section 9], the secretary of state shall issue a certificate stating that the resort area district has been established under the laws of the state of Montana. The secretary of state shall file a copy of the certificate with the clerk and recorder in each county in which the resort area district is located.

NEW SECTION. **Section 11. General powers of resort area district.** (1) A resort area district created under [sections 1 through 20] may:

(a) have perpetual succession;

(b) sue and be sued in any court of competent jurisdiction;

(c) acquire by any legal means real and personal property necessary to the full exercise of its powers; and

(d) make contracts, employ labor, and do all acts necessary for the full exercise of its powers.

(2) The board shall exercise the powers described in [sections 1 through 20].

NEW SECTION. **Section 12. Board powers related to administration and expenditure of resort tax revenue.** The board of a resort area district created under [sections 1 through 20] may:

(1) appropriate and expend revenue from a resort tax for any activity, undertaking, or administrative service authorized in the resolution creating a resort area and adopting a resort tax; and

(2) adopt administrative ordinances necessary to aid in the collection or reporting of resort taxes and in the expenditure of resort tax revenue.

NEW SECTION. **Section 13. Resort area district to be governed by board -- composition -- qualifications -- term of office.** (1) The board is the governing body of the resort area district and is composed of five members, to be elected as provided in [section 14].

(2) To qualify for the board, a person must be a resident of the resort area district.

(3) Directors shall serve for a term of 4 years from the date of their election, except, of the directors elected at the first regular election, three directors shall serve for a term of 2 years and two shall serve for a term of 4 years.

(4) At the first meeting of the board, the directors shall determine by lot which of them shall serve the terms less than 4 years. Each succeeding term is 4 years.

NEW SECTION. **Section 14. Board -- election -- term.** (1) The first election of the board must be held at the next regular, primary, or school election immediately succeeding the creation of the resort area district. Each succeeding election must be held every 2 years to coincide with the election for local government officials as provided in 13-1-104(2).

(2) A petition of nomination, signed by at least five electors from within the resort area district, may be filed with the election administrator in any county containing a portion of the resort area district. A nominating petition must be filed at least 135 days and not fewer than 75 days before the election.

NEW SECTION. **Section 15. Canvass of vote.** (1) The board of county commissioners shall canvass the returns of the first election of the board. After the first election and canvass, the board shall meet as a canvassing board for resort area district elections and shall canvass the returns within 4 days after any resort area district election.

(2) If the resort area district lies in more than one county, the board of county commissioners whose county contains the largest percentage of the territory of the resort area district shall canvass the returns of the first election.

NEW SECTION. **Section 16. Board -- vacancy.** If a vacancy on the board occurs by death, resignation, or removal from the resort area district, the remaining directors shall appoint a director to fill the vacancy. The term of the appointment coincides with the term that became vacant.

NEW SECTION. **Section 17. Board -- meetings.** (1) The board shall meet at a regularly scheduled time and place. The board shall provide public notice of any change in the time and place of the board meetings.

(2) All board meetings are open to the public unless, under the terms of Article II, section 9, of the Montana constitution or 2-3-203, the presiding officer determines that the demands of individual privacy clearly exceed the merits of public disclosure.

(3) A majority of the board constitutes a quorum for the transaction of business.

(4) The board may act only by ordinance or resolution.

NEW SECTION. **Section 18. Referendum to dissolve resort area district.** (1) Upon receipt of a petition to dissolve the resort area district, signed by more than 50% of the electors of the resort area district, the board shall set a date for a public hearing on dissolution of the resort area district. The hearing date may not be fewer than 45 days or more than 60 days after the date on which the board schedules the date of the hearing. A notice of the public hearing on dissolution must be published as provided in

7-1-2121. The published notice must include notice to creditors of the resort area district to present claims owed by the resort area district to the board prior to the date set for the dissolution hearing.

(2) After the hearing, the board shall submit the question of the resort area district's dissolution to a vote of the electors.

NEW SECTION. **Section 19. Conduct of election on question of dissolving resort area district -- qualification of electors.** (1) The election on the question of dissolving the resort area district must be conducted as provided by Title 13 with respect to general and school elections, except as otherwise provided by [sections 1 through 20].

(2) The qualifications for electors described in [section 8] apply for electors on the question of dissolution.

NEW SECTION. **Section 20. Resolution dissolving resort area district upon favorable vote.** (1) If a majority of the votes cast on the question of dissolving the resort area district are in favor of dissolving the resort area district, the board of county commissioners shall enter into its minutes an order, by resolution, dissolving the resort area district. The resolution must contain, explicitly or by reference, an orderly plan of dissolution.

(2) Immediately following adoption of the resolution dissolving the resort area district, the board of county commissioners shall file with the secretary of state and the county clerk and recorder a copy of the resolution.

(3) The resort area district is dissolved as provided in the plan of dissolution.

Section 21. Section 7-6-4465, MCA, is amended to read:

"7-6-4465. Resort tax administration. (1) In this section, "governing body" means:

(a) the governing body of a resort community ~~of~~;

(b) if the resort tax has been approved by the electors of a resort area, the board of county commissioners; or

(c) if the electors of the resort area establish a resort area district, the district board of directors.

(2) Not less than 30 days prior to the date that the resort tax becomes effective, the governing body shall enact an administrative ordinance governing the collection and reporting of the resort taxes. This

administrative ordinance may be amended at any time as may be necessary to effectively administer the resort tax.

(3) The administrative ordinance must specify:

(a) the times that taxes collected by businesses are to be remitted to the governing body;

(b) the office, officer, or employee of the governing body responsible for receiving and accounting for the resort tax receipts;

(c) the office, officer, or employee of the governing body responsible for enforcing the collection of resort taxes and the methods and procedures to be used in enforcing the collection of resort taxes due; and

(d) the penalties for failure to report taxes due, failure to remit taxes due, and violations of the administrative ordinance. The penalties may include:

(i) criminal penalties not to exceed a fine of $1,000 or 6 months' imprisonment, or both;

(ii) civil penalties if the governing body prevails in a suit for the collection of resort taxes, not to exceed 50% of the resort taxes found due plus the costs and attorney fees incurred by the governing body in the action;

(iii) revocation of a county or municipal business license held by the offender; and

(iv) any other penalties that may be applicable for violation of an ordinance.

(4) The administrative ordinance may include:

(a) further clarification and specificity in the categories of goods and services that are subject to the resort tax consistent with 7-6-4463;

(b) authorization for business administration and prepayment discounts. The discount authorization may allow each vendor and commercial establishment to:

(i) withhold up to 5% of the resort taxes collected to defray their costs for the administration of the tax collection; or

(ii) receive a refund of up to 5% of the resort tax payment received from them by the governing body 10 days prior to the collection due date established by the administrative ordinance.

(c) other administrative details necessary for the efficient and effective administration of the tax."

Section 22. Section 7-6-4469, MCA, is amended to read:

"**7-6-4469. Use of resort area tax.** (1) ~~Unless~~ (a) Except as provided in subsection (1)(b) or unless

otherwise provided by the resolution approved by the electors under 7-6-4464, the board of county commissioners shall appropriate and spend revenue derived from a resort area tax for the purpose stated in the resolution.

(b) If the electors of a resort area have established a resort area district, the district board of directors shall appropriate and spend revenue derived from a resort area tax for the purpose stated in the resolution.

(2) ~~The~~ If the electors of a resort area have not established a resort area district, the resort area shall reimburse the board of county commissioners for costs associated with the collection, administration, and litigation of the resort area tax."

NEW SECTION. **Section 23. Codification instruction.** [Sections 1 through 20] are intended to be codified as an integral part of Title 7, chapter 6, and the provisions of Title 7, chapter 6, apply to [sections 1 through 20].

NEW SECTION. **Section 24. Saving clause.** [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act].

NEW SECTION. **Section 25. Effective date.** [This act] is effective on passage and approval.

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0191, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

A bill authorizing the creation of a resort area district, and providing an election process by which a resort area district may be created.

FISCAL IMPACT:

Passage of SB0191 will have no fiscal impact on the state.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

If a resort area district is created, the district will control the collection, appropriation, and expenditure of resort tax revenue collected within the resort area.

Dave Lewis 1-22-97

DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Don Hargrove 1/22/97

DON HARGROVE, PRIMARY SPONSOR DATE

Fiscal Note for SB0191, as introduced

SB 191

MINUTES

MONTANA SENATE
55th LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By **CHAIRMAN TOM BECK**, on January 30, 1997, at 1:00 p.m., in Room 405.

ROLL CALL

Members Present:

Sen. Thomas A. "Tom" Beck, Chairman (R)
Sen. Mike Sprague, Vice Chairman (R)
Sen. Dorothy Eck (D)
Sen. Wm. E. "Bill" Glaser (R)
Sen. Don Hargrove (R)
Sen. John "J.D." Lynch (D)
Sen. Walter L. McNutt (R)
Sen. Fred R. Van Valkenburg (D)

Members Excused: Sen. Sharon Estrada (R)

Members Absent: None

Staff Present: Martha Colhoun, Legislative Services Division
Jodi Jones, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted:	SB 191, SB 180, SB 179
	Posted on: 1/24/97
Executive Action:	SB 179 Tabled
	SB 191 Do pass
	SB 180 Do pass
	SB 51 Do pass as amended
	SB 164 Do pass as amended
	SB 140 Tabled
	SB 66 Do pass as amended
	SB 139 Tabled

HEARING ON SB 191

Sponsor: **SENATOR DON HARGROVE, SD 16, Belgrade**

Proponents:

Michael Richards, Big Sky Resort Tax Committee
Jane Jelinski, Gallatin Co. Commissioner
Bill Ogle, Big Sky Water and Sewer District 363

Ted Coffman, Madison Co. Commissioner
Dee Rothschiller, Big Sky Owners Assoc.
Steve Barrett, Big Sky Owners Assoc.
Bob Stober, Gallatin Co. Fire District
Mona Jamison, Madison and Gallatin Co. Lobbyist

Opponents: None

Opening Statement by Sponsor:

SENATOR DON HARGROVE, SD 16, Belgrade, presented SB 191. This bill is a creation of a resort tax district. Before 1993, the resort tax statute authorized incorporated municipalities to form a resort community if certain criteria was met. West Yellowstone is the best example of this type of resort. In the 1993 Session, the legislature expanded the statute to allow an unincorporated area to form a resort area based on similar criteria. Big Sky and St. Regis resorts are such examples. Before a resort area can be formed the residents within the resort area vote on its creation of a resort tax. The ballot must contain the amount of the resort tax and its duration. The governing body for the resort community is the municipal government and for a resort area, the governing body is the county commission. This bill authorizes a resort area that is already created to form a resort district. The district will have an elected board of directors and must have a majority vote before being formed and will be governed like a water and sewer district. The residents of a resort area have the option to form a resort district, and local control will be exercised over the resort tax. The bill does not expand or limit the existing resort tax statute, it proposes a district form of government over the resort tax revenue collected within the region.

Proponents' Testimony:

Michael Richards, Big Sky Resort Tax Committee, spoke in favor of SB 191. He said their board is appointed by two sets of county commissioners from Gallatin and Madison Co. and seven members sit on this board. Every two years at the local level, they have hearings to find out what the priorities of spending are for the resort area. Applications are sent in by people looking for funds from the community. Once the recommendations are done in the county, the commissioners have a joint meeting and public hearings to make a decision. This is not a real efficient process and sometimes there are two or three public hearings before a decision is reached. The local advisory board is made up of people who live and work in the area and are appointed. This bill would change it to a district where they have an elected process. It will get the public more involved and in a democratic form of reaching a decision. He passed out charts concerning resort tax. **(EXHIBIT 1)** There will be no change in the way the resort tax is collected and the final approval will come locally from the people.

Jane Jelinski, Gallatin Co. Commissioner, spoke in favor of SB 191. She handed out testimony. **(EXHIBIT 2)**

Bill Ogle, Big Sky Water and Sewer District 363, supported SB 191. He said sewer related expenditures have exceeded $1.2 Million over the past four years at Big Sky. In making a pitch for these funds, they have had to deal with local board members, resort tax members, and two sets of county commissioners, which takes quite a bit of time. He said often times their jobs require quick action and a request for money can be difficult because of lengthy approval time. He feels the same oversight would happen under this bill but it would streamline the process.

Ted Coffman, Madison Co. Commissioner, spoke in favor of SB 191. **(EXHIBIT 3 & 4)**

{Tape: 1; Side: A; Approx. Time Count: 1:13 p.m.; Comments: .}

Dee Rothschiller, Big Sky Owners Assoc., said she was here in 1987 and 1989 in an unsuccessful attempt to pass legislation that would provide for the creation of a resort tax for the unincorporated community of Big Sky. Finally, SB 128 was passed as a resort tax for an unincorporated resort community. It is wonderful to be part of a community that collects and shares over $1 Million annually with the various public entities. The community would now like to elect their own resort tax directors and also have local control over collections, allocations, and appropriations of resort tax revenue. This would allow applicants to receive their approved payment in a timely matter. Currently, it is a very lengthy process taking up to two months before payment will occur. The resort tax dollars could go back into our community at a much faster rate.

Steve Barrett, Big Sky Owners Assoc., said this will create less government and will let the local people have a say in what goes on in their community.

Bob Stober, Gallatin Co. Fire District, said this would streamline the whole process and create less paperwork and give the people of Big Sky a feeling this is for them.

Mona Jamison, Madison and Gallatin Co. Lobbyist, talked about the language in the bill. In section 21 and 22 on page 6 and 7, this section is being amended. She said if the resort area decides to become a district then the governing body should be elected. Under this bill, the tax is not going to be changed, the population stays the same, and none of the criteria for the resort tax is removed. She said earlier they wanted the resort area tax revenue to be governed within the resort, but the question was how to accomplish this? The resort area wanted to ask the Gallatin and Madison Co. Commissioners for a resolution or ordinance that would delegate this authority. However, legally they could not do this under the existing statutes. The people residing in the resort area have to vote on the creation of the

district, the board of directors, and everything that goes with self-government. This bill allows for local control, and lets the community respond more quickly to the needs of the area. If the petition is voted down, the county commissioners continue to govern the administration of the resort area.

{Tape: 1; Side: A; Approx. Time Count: 1:23 p.m.; Comments: .}

Opponents' Testimony: None

Questions From Committee Members and Responses:

SENATOR FRED VAN VALKENBURG asked if this was the long way of going about forming a city. **SENATOR HARGROVE** said it would be if this was what the bill was doing.

SENATOR DOROTHY ECK asked what would a resort area do with the money they collected and has housing ever been provided for any of the employees? **Mr. Richards** said housing has been provided with the resort tax that has been collected. Currently, they have a proposal for a housing project that is 36 units and the contractor is asking for relief of expenses on sewer hookups.

CHAIRMAN TOM BECK asked why not incorporate this area rather than go through this process? **Mona Jamison** said they do not meet the population requirements under the incorporation statute. If they had, then it would give them governance over the resort tax revenue as well as everything else in the resort area. In the Big Sky area many of the people that come in own a second home whereas the electors reside their permanently.

CHAIRMAN BECK asked what the qualifications where? **Mona Jamison** said she could not recall that information immediately.

CHAIRMAN BECK asked if there was any kind of audit trail and will the County Commissioners still follow the expenditures of the board of directors. **Mona Jamison** said the County Commissioners would still have the same authority as they do over water and sewer districts.

SENATOR ECK asked if by the next session would they be back with an amendment of an ordinance establishing a municipality and will they be tightened up laws based on density. **Mona Jamison** said in the future they look to becoming a municipality.

CHAIRMAN BECK said it looks much simpler to incorporate the area, especially when there is that kind of tax revenue coming in.

SENATOR MIKE SPRAGUE asked if the theory behind this was to operate based on the kiss principle, in other words keep it simple. He said why make it more complicated than what it already is.

Closing by Sponsor:

SENATOR HARGROVE said this is a simple bill and is a matter of electing the people to make the decision to improve accountability. Density is something they can't get around.

{Tape: 1; Side: A; Approx. Time Count: 1:31 p.m.; Comments: .}

HEARING ON SB 180

Sponsor: **SENATOR STEVE DOHERTY, SD 24, Great Falls**

Proponents:

Ray Wadsworth, MT Rural Water Systems
Bob Broadway, MT Assoc. of Water and Sewer Systems

Opponents: None

Opening Statement by Sponsor:

SENATOR STEVE DOHERTY, SD 24, Great Falls, presented SB 180. He said they passed a bill last session that consolidated elections in water and sewer districts. He said this created some problems. This bill allows for mail-in ballots for water and sewer districts for both the formation of the district and when the district wants to incur debt. If the bids don't come in on the approved level and if there is an emergency, the language allows for two elections per year other than the primary and the general.

Proponents' Testimony:

Ray Wadsworth, MT Rural Water Systems, spoke in favor of SB 180 **(EXHIBIT 5).** He said there are 57 districts in Montana and 53 of them are in good standing of the **Rural Water Systems.** He said the district pays for all elections and the cost is not incurred by the county.

Bob Broadway, MT Assoc. of Water and Sewer Systems, spoke in favor of SB 180. He said there have been other problems with the elimination of the mail ballots. If a community has a project in process with a bond authority voted by the people and all of the bids come in as overruns, timing is critical. A mail ballot can be very useful with only 60 days from the date to opening bid to reward the funding.

Opponents' Testimony: None

Questions From Committee Members and Responses:

SENATOR HARGROVE said one fact that an election can't occur all the time seems to dampen the exercise of power. He asked if **SENATOR DOHERTY** thought this was true? **SENATOR DOHERTY** said this

was a good point. The protection here would be the people who vote to incur the debt are the ones who pay for the debt. Because the membership is in control of the district, if the board is not doing their job properly then they can be voted out. If the bids don't come in under the approved bond limit and they have to miss a construction season to set out a new bid specification then it could become costly.

SENATOR HARGROVE asked if mailing would cost considerably more than a regular ballot election? **SENATOR DOHERTY** said the cost of the election would be borne by the district and not by state.

Closing by Sponsor:

SENATOR DOHERTY said this is a simple bill and there is a need for it.

{Tape: 1; Side: A; Approx. Time Count: 1:43 p.m.; Comments: .}

HEARING ON SB 179

Sponsor: **SENATOR STEVE DOHERTY, SD 24, Great Falls**

Proponents: None

Opponents: None

Opening Statement by Sponsor:

SENATOR STEVE DOHERTY, SD 24, Great Falls, said this bill should be tabled as SB 180 and SB 179 are almost duplicates. He asked that SB 179 be tabled.

EXECUTIVE ACTION ON SB 179

Motion/Vote:

SENATOR J.D. LYNCH MOVED SB 179 BE TABLED. MOTION CARRIED UNANIMOUSLY.

EXECUTIVE ACTION ON SB 191

Motion/Vote:

SENATOR BILL GLASER MOVED SB 191 DO PASS. MOTION CARRIED 7-2 with **SENATORS ESTRADA AND BECK** voting no.

EXECUTIVE ACTION ON SB 180

Motion/Vote:

SENATOR HARGROVE MOVED SB 180 DO PASS. MOTION CARRIED 8-1 with **SENATOR GLASER** voting no.

LEGISLATIVE HISTORIES

The 1997 Montana Legislature dramatically changed the nature of legislative minutes. This altered format continues with the 1999 legislative minutes. The minutes from House committees are extremely sparse in content, offering no substantive information from which to glean legislative intent. The Senate committees' minutes are fuller in content.

Exhibits, which include written statements, attendent information, roll call votes, roll call attendance, a list of those from the public who were present, and specific action taken on legislative bills, will be available only through the Historical Society Archives, 444-4774, and from a CD-ROM produced by the Legislative Services Division, 444-3064.

Just as in the 1997 legislative session, the 1999 House and Senate committee hearings were recorded. For information on accessing the tapes, or purchasing them, contact the Archives, 444-4774.

If you have concerns over the format of these legislative minutes, it is suggested that you contact your state legislators.

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
55th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Chairman Chase Hibbard, on March 5, 1997, at 8:00 a.m., in Room 437.

ROLL CALL

Members Present:

Rep. Chase Hibbard, Chairman (R)
Rep. Robert R. Story, Jr., Vice Chairman (Majority) (R)
Rep. Robert R. "Bob" Ream, Vice Chairman (Minority) (D)
Rep. Peggy Arnott (R)
Rep. Paul Bankhead (R)
Rep. John C. Bohlinger (R)
Rep. Bill Carey (D)
Rep. Alvin A. Ellis, Jr. (R)
Rep. Marian W. Hanson (R)
Rep. Hal Harper (D)
Rep. Dan W. Harrington (D)
Rep. Rick Jore (R)
Rep. Scott J. Orr (R)
Rep. Bob Raney (D)
Rep. John "Sam" Rose (R)
Rep. William M. "Bill" Ryan (D)
Rep. Richard D. Simpkins (R)
Rep. Emily Swanson (D)
Rep. Lila V. Taylor (R)
Rep. Jack Wells (R)

Members Excused: None.

Members Absent: None.

Staff Present: Lee Heiman, Legislative Services Division
Donna Grace, Committee Secretary

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 555 (2/17)
SB 191 (2/17)
SB 213 (2/17)

Executive Action: HB 555 - Do Pass
SB 191 - Concur
SB 213 - Concur
HB 63 - Do Pass as Amended
SB 151 - Concur
HB 403 - Table

Shirley Ball, Farmer from Nashua, and Executive Director of EPAC, an organization that supports production and use of ethanol. **EXHIBIT 3 AND 4.** *{Tape: 1; Side: A; Approx. Time Count: 31.0.}*

Terry Pehan, Great Falls Area Chamber of Commerce. **EXHIBIT 5.** *{Tape: 1; Side: A; Approx. Time Count: 35.4.}*

Don Judge, AFL-CIO. *{Tape: 1; Side: A; Approx. Time Count: 40.2.}*

Tom Harrison, America Agri-Tech. *{Tape: 1; Side: A; Approx. Time Count: 44.2.}*

John Youngberg, Montana Farm Bureau. *{Tape: 1; Side: B; Approx. Time Count: 3.4.}*

Candace Torgerson, Women Involved in Farm Economics. *{Tape: 1; Side: B; Approx. Time Count: 4.9.}*

Bob Stephens, Montana Graingrowers. *{Tape: 1; Side: B; Approx. Time Count: 5.5.}*

Carl Schweitzer, Montana Contractors' Association. **EXHIBIT 6.** *{Tape: 1; Side: B; Approx. Time Count: 7.3.}*

Pam Langley, Montana Grain Elevator Association. **EXHIBIT 7.** *{Tape: 1; Side: B; Approx. Time Count: 12.8.}*

Opponents' Testimony:

None.

Informational Testimony:

None.

Questions From Committee Members and Responses:

{Tape: 1; Side: B; Approx. Time Count: 13.6.}

Closing by Sponsor:

Rep. Simpkins closed the hearing. *{Tape: 1; Side: B; Approx. Time Count: 34.6.}*

HEARING ON SB 191

Opening Statement by Sponsor:

Sen. Don Hargrove, Senate District 16, presented a bill which would allow a resort district to elect a board to manage its affairs. *{Tape: 1; Side: B; Approx. Time Count: 37.7.}*

Proponents' Testimony:

Mona Jamison, Big Sky Area Resort District. *{Tape: 2; Side: A; Approx. Time Count: 0.1.}*

Michael Richards, Chairman, Big Sky Resort Tax Board. **EXHIBIT 8.** *{Tape: 2; Side: A; Approx. Time Count: 7.2.}*

Opponents' Testimony:

Bill Ogle, Chairperson, Big Sky Sewer District. *{Tape: 2; Side: A; Approx. Time Count: 13.3.}*

Robert Stobee, Fire Chief, Big Sky. *{Tape: 2; Side: A; Approx. Time Count: 16.6.}*

Judy Stang, Mineral County Commissioner. *{Tape: 2; Side: A; Approx. Time Count: 17.3.}*

Ted Coffman, Madison County Commissioner. *{Tape: 2; Side: A; Approx. Time Count: 21.1.}*

Bill Murdock, Gallatin County Commissioner. **EXHIBIT 9.** *{Tape: 2; Side: A; Approx. Time Count: 22.5.}*

Informational Testimony:

None.

Questions From Committee Members and Responses:

{Tape: 2; Side: A; Approx. Time Count: 24.8.}

Closing by Sponsor:

Sen. Hargrove closed the hearing. *{Tape: 2; Side: A; Approx. Time Count: 43.2.}*

EXECUTIVE ACTION ON HB 63

Motion:

Rep. Ream moved HB 63 as amended do pass. *{Tape: 2; Side: B; Approx. Time Count: 2.9.}*

Discussion:

Amendments were approved at a prior meeting. *{Tape: 2; Side: B; Approx. Time Count: 4.0.}*

Vote:

On a voice vote, the motion passed 19 - 1, with Rep. Jore voting no. *{Tape: 2; Side: B; Approx. Time Count: 25.1.}*

EXECUTIVE ACTION ON SB 191

Motion:

Rep. Ream moved that SB 191 be concurred in. *{Tape: 3; Side: A; Approx. Time Count: 12.5.}*

Discussion:

{Tape: 3; Side: A; Approx. Time Count: 12.8.}

Vote:

On a voice vote, the motion passed 15 - 5, with Reps. Orr, Arnott, Jore, Bankhead and Raney voting no. *{Tape: 3; Side: A; Approx. Time Count: 17.4.}*

{Tape: 3; Side: A; Approx. Time Count: 19.3; Comments: Adjourn.}